

1 **ETHICS AMENDMENTS**

2 2002 GENERAL SESSION

3 STATE OF UTAH

4 **Sponsor: L. Steven Poulton**

5 **This act modifies the Election Code and the Lobbyist Disclosure and Regulation Act to**
6 **require certain reports to be made available on the Internet within a specified time. This act**
7 **modifies lobbyist financial reporting requirements to govern situations where multiple**
8 **lobbyists split expenditures and where a single lobbyist splits expenditures between multiple**
9 **clients. This act makes technical corrections.**

10 This act affects sections of Utah Code Annotated 1953 as follows:

11 AMENDS:

12 **20A-11-1002**, as last amended by Chapter 355, Laws of Utah 1997

13 **36-11-106**, as last amended by Chapter 338, Laws of Utah 2000

14 **36-11-201**, as last amended by Chapter 338, Laws of Utah 2000

15 *Be it enacted by the Legislature of the state of Utah:*

16 Section 1. Section **20A-11-1002** is amended to read:

17 **20A-11-1002. Retention and public inspection of financial statements -- Written**
18 **complaint if statement is false or unlawful.**

19 (1) The chief election officer shall:

20 (a) make each financial statement required by this chapter:

21 (i) open to public inspection in the office of the chief election officer; and

22 (ii) available for viewing on the Internet at the lieutenant governor's website within seven
23 calendar days after the report is received by the chief election officer;

24 (b) preserve those statements for at least five years; and

25 (c) provide certified copies of the financial statements in the same manner as for other
26 public records.

27 (2) Any candidate or voter may file a written complaint with the chief election officer



28 alleging that a filed financial statement does not conform to law or to the truth.

29 Section 2. Section **36-11-106** is amended to read:

30 **36-11-106. Reports are public documents.**

31 (1) Any person may:

32 [~~(1)~~] (a) without charge, inspect a license application or financial report filed with the
33 lieutenant governor in accordance with this chapter; and

34 [~~(2)~~] (b) make a copy of a report after paying for the actual costs of the copy.

35 (2) The lieutenant governor shall make financial reports filed in accordance with this
36 chapter available for viewing on the Internet at the lieutenant governor's website within seven
37 calendar days after the report is received by the lieutenant governor.

38 Section 3. Section **36-11-201** is amended to read:

39 **36-11-201. Lobbyist, principal, and government officer financial reporting**
40 **requirements -- Prohibition for related person to make expenditures.**

41 (1) (a) (i) Each lobbyist, principal, and government officer shall file an annual financial
42 report with the lieutenant governor on January 10 of each year or on the next succeeding business
43 day if January 10 falls on a Saturday, Sunday, or legal holiday. The report shall be considered
44 timely filed if postmarked on its due date.

45 (ii) The report shall disclose expenditures made to benefit public officials or members of
46 their immediate families as provided in this section.

47 (iii) If the lobbyist made no expenditures since the last expenditure reported on the last
48 report filed, the lobbyist shall file a financial report listing the amount of expenditures as "none."

49 (b) The January 10 report shall contain:

50 (i) the total amount of expenditures made to benefit public officials during the last calendar
51 year;

52 (ii) (A) the total travel expenditures that the lobbyist, principal, or government officer
53 made to benefit public officials and their immediate families during the last calendar year; and

54 (B) a travel expenditure statement that:

55 (I) describes the destination of each trip and its purpose;

56 (II) identifies the total amount of expenditures made to benefit each public official and
57 members of the public official's immediate family for each trip;

58 (III) names all individuals that took each trip;

- 59 (IV) provides the name and address of the organization that sponsored each trip; and
60 (V) identifies specific expenditures for food, lodging, gifts, and sidetrips;
61 (iii) for aggregate daily expenditures made to benefit public officials or members of their
62 immediate families that are not reportable under Subsection (1)(b):
63 (A) when the amount does not exceed \$50 per person:
64 (I) the date of the expenditure;
65 (II) the purpose of the expenditure; and
66 (III) the total monetary worth of the benefit conferred on the public officials or members
67 of their immediate families;
68 (B) when the amount exceeds \$50 per person:
69 (I) the date, location, and purpose of the event, activity, or expenditure;
70 (II) the name of the public official or member of the public official's immediate family who
71 attended the event or activity or received the benefit of the expenditure; and
72 (III) the total monetary worth of the benefit conferred on the public official or member of
73 the public official's immediate family;
74 (iv) a list of each public official who was employed by the lobbyist, principal, or
75 government officer or who performed work as an independent contractor for the lobbyist,
76 principal, or government officer during the last year that details the nature of the employment or
77 contract;
78 (v) each bill or resolution by number and short title on behalf of which the lobbyist,
79 principal, or government officer made an expenditure to a public official for which a report is
80 required by this section, if any;
81 (vi) a description of each executive action on behalf of which the lobbyist, principal, or
82 government officer made an expenditure to a public official for which a report is required by this
83 section, if any; and
84 (vii) the general purposes, interests, and nature of the organization or organizations that
85 the lobbyist, principal, or government officer filing the report represents.
86 (2) (a) As used in this Subsection (2):
87 (i) "Lobbyist group" means two or more lobbyists, principals, government officers, and
88 any combination of lobbyists, principals, and officers who each contribute a portion of an
89 expenditure made to benefit a public employee or member of his immediate family.

90 (ii) "Multi-client lobbyist" means a single lobbyist, principal, or government officer who
91 represents two or more clients and divides the aggregate daily expenditure made to benefit a public
92 employee or member of his immediate family between two or more of those clients.

93 (b) When a lobbyist group combines to make aggregate daily expenditures to benefit
94 public officials or members of their immediate families, and the total aggregate daily expenditure
95 of the lobbyist group exceeds \$50 per person, each member of the lobbyist group shall disclose on
96 the reports required by this section:

97 (i) the date, location, and purpose of the event, activity, or expenditure;

98 (ii) the name of the public official or member of the public official's immediate family who
99 attended the event or activity or received the benefit of the expenditure;

100 (iii) the total monetary worth of the benefit conferred on the public official or member of
101 the public official's immediate family by the lobbyist group and the total monetary worth of the
102 benefit conferred upon the public official or member of the public official's immediate family by
103 the lobbyist, principal, or government officer filing the report;

104 (iv) a list of each public official who was employed by the lobbyist, principal, or
105 government officer or who performed work as an independent contractor for the lobbyist,
106 principal, or government officer during the last year that details the nature of the employment or
107 contract;

108 (v) each bill or resolution by number and short title on behalf of which the lobbyist,
109 principal, or government officer made an expenditure to a public official for which a report is
110 required by this section, if any;

111 (vi) a description of each executive action on behalf of which the lobbyist, principal, or
112 government officer made an expenditure to a public official for which a report is required by this
113 section, if any; and

114 (vii) the general purposes, interests, and nature of the organization or organizations that
115 the lobbyist, principal, or government officer filing the report represents.

116 (c) When a multi-client lobbyist makes aggregate daily expenditures to benefit public
117 officials or members of their immediate families, and the sum of the total aggregate daily
118 expenditure for all of the lobbyist's clients exceeds \$50 for a public official or family member, the
119 multi-client lobbyist shall, for each client, disclose on the reports required by this section:

120 (i) the date, location, and purpose of the event, activity, or expenditure;

121 (ii) the name of the public official or member of the public official's immediate family who
122 attended the event or activity or received the benefit of the expenditure;

123 (iii) the total monetary worth of the benefit conferred on the public official or member of
124 the public official's immediate family by all clients and the total monetary worth of the benefit
125 conferred on the public official or member of the public official's immediate family by the client
126 upon whose behalf the report is filed;

127 (iv) a list of each public official who was employed by the lobbyist, principal, or
128 government officer or who performed work as an independent contractor for the lobbyist,
129 principal, or government officer during the last year that details the nature of the employment or
130 contract;

131 (v) each bill or resolution by number and short title on behalf of which the lobbyist,
132 principal, or government officer made an expenditure to a public official for which a report is
133 required by this section, if any;

134 (vi) a description of each executive action on behalf of which the lobbyist, principal, or
135 government officer made an expenditure to a public official for which a report is required by this
136 section, if any; and

137 (vii) the general purposes, interests, and nature of the organization or organizations that
138 the lobbyist, principal, or government officer filing the report represents.

139 ~~[(2)]~~ (3) A related person may not, while assisting a lobbyist, principal, or government
140 officer in lobbying, make an expenditure that benefits a public official or member of the public
141 official's immediate family under circumstances which would otherwise fall within the disclosure
142 requirements of this chapter if the expenditure was made by the lobbyist, principal, or government
143 officer.

144 ~~[(3)]~~ (4) (a) Each lobbyist, principal, and government officer who makes expenditures
145 totaling \$50 or more to benefit public officials or members of their immediate families since the
146 date of the last financial report filed shall file a financial report with the lieutenant governor on:

- 147 (i) the date ten days after the last day of each annual general session;
148 (ii) the date seven days before a regular general election; and
149 (iii) the date seven days after the end of a special session or veto override session.

150 (b) (i) If any date specified in this Subsection ~~[(3)]~~ (4) falls on a Saturday, Sunday, or legal
151 holiday, the report is due on the next business day or on the next succeeding business day, if the

152 due date falls on a Saturday, Sunday, or legal holiday.

153 (ii) The report shall be considered timely filed if it is postmarked on its due date.

154 (c) Each report shall contain a listing of all expenditures made since the last expenditure
155 reported on the last report filed in the form specified in Subsection (1)(b) and, when applicable,
156 Subsection (2).

157 [~~4~~] (5) Each financial report filed by a lobbyist shall contain a certification that the
158 information provided in the report is true, accurate, and complete to the lobbyist's best knowledge
159 and belief.

160 [~~5~~] (6) The lieutenant governor shall:

161 (a) develop preprinted suggested forms for all statements required by this section; and

162 (b) make copies of the forms available to each person who requests them.

Legislative Review Note
as of 1-29-02 11:18 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel